

28 October 1964

MEMORANDUM FOR: Staff, FDD

SUBJECT: JPRS Contracts

1. The engagement of Agency staff personnel as independent contractors with the JPRS has been a matter of controversy since the establishment of JPRS in 1957. Initially such arrangements were disapproved. Later, in April 1958, contractual use of Agency employees was approved under certain restrictive terms and conditions, including the following: "their service must be limited to translation, and, the translation rendered must be separate and distinct from the individual's responsibility to this Agency as an employee."

2. The issue was raised again in 1960 by the CAO team during a survey of the JPRS and they recommended that the need for and the utilization of FDD employees as JPRS contractors be re-examined. In April 1961 the DD/S supported the FDD position that the need was valid, but recognizing the close relationship of contractor and contractor directed that FDD issue formal policies and procedures on the utilization of FDD personnel. In May 1961 FDD issued FDD Regulation No. 2 stating the policy as follows:

"With approval of the Chief, FDD and the Office of Security, employees of FDD may enter into contractual relationship with the JPRS. The contractual relationship with JPRS shall at all times and in every respect be kept separate and distinct from the employee's relationship with FDD. As a general policy, therefore, FDD employees under contract with the JPRS shall not accept or be given work assignments which are related to their assignments in the Division excepting:

a. when the assignment is reimbursable work for other government agencies;

b. when the FDD employee is the only available JPRS contractor who can perform the assignment."

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SUBJECT: JPRS Contracts

3. In a recent management survey the ADDI/M requested a thorough review of FDD/JPRS policies and procedures, and information on the extent of the utilization of Agency personnel and their relatives as JPRS contractors. His view after reviewing the matter is (1) that it is "important to so conduct our affairs in this area not only as to stay within the legal restrictions imposed but wholly within the spirit of the law as interpreted by the Comptroller General of the United States," and (2) that we should "strictly apply the injunctions 'that the United States should not where the needs of the Government reasonably can be otherwise supplied, contract with its officers or employees....' and that 'such contracts should not be made except for the most cogent reasons'" (Comptroller General 14-404 and 21-707). He further states that the "JPRS is a valuable organization. We should safeguard it as a mechanism so as to continue to derive for the Agency support for our translation effort not otherwise available. But the principle of dealing with JPRS contractors 'at arm's length' must be so implemented as to permit us to advertise this undertaking with pride rather than to have to defend our actions every time the matter is considered by an outsider. This means that we should err on the side of discriminating against our own employees and their relatives if this be necessary to keep our image hound-tooth clean."

4. Accordingly, it has been decided that, except for the purpose of obtaining skills in rare languages not otherwise available, the engagement by JPRS of Agency staff personnel or members of their immediate household is not in the Agency's interest. Implementation of this policy will be on a gradual basis to provide adequate time for orderly transfer to other channels of the work currently being done under these contractual arrangements. The Chief, JPRS, has been directed to cancel existing contracts as soon as these transfers are completed.

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Chief, Foreign Documents Division

OPTIONAL FORM NO. 10
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UNITED STATES GOVERNMENT

Memorandum

TO : Deputy Director, FBIS

DATE: 12 February 1975

FROM : Chief, NEAAB/AAD

SUBJECT: JPRS Contracts

At your request I asked Chief/JPRS about the present JPRS policy regarding the contracting of Agency employees and spouses. He said that the policy is to turn down all Agency employees, no matter what the component, and their spouses. Only recently a DDO employee's wife who possessed ability in Romance languages was turned down on the grounds that her husband worked for the Agency. A few exceptions have been made where the applicant possesses a language in short supply. For instance, [redacted] of OTR Language School has a contract for certain South Asian languages. Nevertheless retirees, including FBIS employees, or their spouses are eligible to work for JPRS.

FYI. I'll mention this in letter to [redacted]

Right - I want to be consulted before present policy is changed in any way.

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As far as I can determine the attached Memorandum is the latest directive on the subject.

This subject came up at the Production Group meeting today and the policy is being reviewed.

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